

USE THIS FORM IF YOU ARE TRYING TO...

RETIREMENT FORMS:

<u>If You Are Trying To:</u>	<u>Use This Form</u>
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Enrollments & Waivers

Enroll a new non-classified state employee in the Defined Contribution Plan	Defined Contribution Retirement Program Election SFN 52170
Enroll an eligible temporary/part-time employee in the Defined Contribution Plan	Agreement/Waiver of Participation for Optional Defined Contribution Retirement Plan SFN 54366
Notify NDPERS of an eligible temporary/part-time employee's election NOT to participate in the Defined Contribution Plan	Agreement/Waiver of Participation for Optional Defined Contribution Retirement Plan SFN 54366
Enroll a Re-hired Defined Contribution Plan Member	Re-Employment of a Defined Contribution Plan Member SFN 53286
Waive participation for reemployed PERS Retiree	Retirement Plan Membership Waiver SFN 54286

Designations & Changes

Change a beneficiary for retirement benefits	Designation of Beneficiary for the Group Retirement Plan SFN 2560
Report a name, marital, or address change	Notice of Change SFN 10766
Report a leave of absence, leave of absence extension, or return from leave of absence	Notice of Status or Employment Change SFN 53611
Report an employee's classification change, reduction in hours or status change from permanent to part-time/temporary within agency	Notice of Status or Employment Change SFN 53611
Report an employee transferring to another PERS participating agency	Notice of Transfer Kit SFN 53728

Reporting

Send employer and employee retirement contributions to PERS	Transmittal of Deduction SFN 51414
Send employee contributions for part-time employees to PERS	Part Time/Temporary Transmittal of Deduction SFN 51415
Notify PERS of an employees irregular salary or missed deposit	Notice of Irregular Salary or No Deposit SFN 53707

Purchases

Initiate purchase information on active military duty for a Defined Contribution Plan employee	Purchase Agreement for USERRA Covered Military Active Duty SFN 17758
Verify the amount of employee contributions paid by a reservist that may require the employer to refund	Verification of Employee Contributions Towards USERRA Active Military Duty SFN 54361

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Separation of Employment

Notify PERS of an employee's separation of employment (for all circumstances)	Notice of Status or Employment Change SFN 53611
Initiate a refund of a terminating employee's Defined Contribution Plan	Refund/Rollover Kit SFN 53725 & Fidelity Distribution Packet
Initiate a direct rollover of a terminating employee's Defined Contribution Plan	Refund/Rollover Kit SFN 53725 & Fidelity Distribution Packet
Initiate a deferred retirement benefit for a terminating employee's Defined Contribution Plan	Deferred Retirement Kit SFN 53724
Initiate a retirement benefit for a terminating employee's Defined Contribution Plan	Retirement Kit SFN 53723 & Fidelity Distribution Packet
Initiate a distribution due to disability for a terminating employee's Defined Contribution Plan	Application for Disability retirement SFN 18000 & Fidelity Distribution Packet
Report the death of an active employee	Notice of Status or Employment Change SFN 53611
Provide retirement benefits for a surviving spouse	Application for Surviving Spouse Benefits SFN 52254 & Fidelity Beneficiary Distribution Packet

Miscellaneous

Notify PERS of a replacement, addition, or new appointment of an authorized agent	Notice of Appointment of Authorized Agent SFN 17029
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DEFINED CONTRIBUTION RETIREMENT PROGRAM ELECTION
SFN 52170

Upon notice of an employee's eligibility to participate in the Defined Contribution Plan, NDPERS will mail a comparison packet of information to the individual. Included in the packet is The Defined Contribution Retirement Program Election SFN 52170. This form is used to notify NDPERS of the member's election regarding if they wish to continue participation in the Defined Benefit Plan or transfer participation to the Defined Contribution Plan. The Defined Contribution Retirement Program Election SFN 52170 must be completed within six months from date of hire or change in classification as a new Non-Classified State employee. The election to join the Defined Contribution retirement program is irrevocable.

For instructions on completing the form, please refer to the back of the form.

FILING PROCEDURE: Original to NDPERS – Upon receipt, NDPERS will process the form and provide the employer and employee with a photocopy.

**AGREEMENT/WAIVER OF PARTICIPATION FOR DEFINED CONTRIBUTION
OPTIONAL RETIREMENT PLAN**
SFN 54366

This form must be completed within the first six- (6) months of hire for all temporary and part-time employees who previously elected to participate in the Defined Contribution Plan and who do not qualify for mandatory participation. See member handbook for definition of mandatory participation. It must also be completed for an employee who currently participates in the Defined Contribution Plan whose job status is changing from permanent employment to temporary/part-time employment to indicate whether they will participate or decline to participate in the Defined Contribution Plan. Failure to enroll in NDPERS will result in an irrevocable waiver of participation.

1. A part-time and temporary employee may not participate in NDPERS as an optional participant if he/she is actively contributing to another employer sponsored pension plan (public or private).

FAILURE TO COMPLETE THIS FORM COULD LEAVE THE EMPLOYER VULNERABLE TO LEGAL ACTION.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

RETIREMENT PLAN MEMBERSHIP WAIVER

SFN 54286

This form must be completed NO EARLIER than 31 days after a severance of employment.

An employee who is eligible for normal retirement and who accepts a retirement benefit becomes reemployed with a PERS participating employer other than the employer with which the employee was employed at the time the employee retired may, before reenrolling in the retirement plan, elect to permanently waive future participation in the Defined Benefit or Defined Contribution plan and the retiree health insurance credit program. An employee making this election is not required to make any future employee contributions to PERS nor is the employer required to make any further contributions on behalf of that employee.

Under N.D.C.C. 54-52-01(8), a "Governmental unit" means the state of North Dakota, except the highway patrol for members of the retirement plan created under chapter 39-03.1, or a participating political subdivision thereof. Therefore, North Dakota state agencies are considered one employer group and any member retiring with one state agency and becoming reemployed with another state agency **would not be eligible** for the provisions of HB 1266. The following retired members may be eligible for the provisions of HB 1266:

Past Employer	to	New Employer
State		Political Subdivision
Political Subdivision		State
Political Subdivision		Political Subdivision

Each retired member that becomes reemployed who is eligible to decline future participation in the PERS defined benefit/defined contribution plan will be required to complete a "Retirement Plan Membership Waiver SFN 54286". **This form will only be available upon request from PERS and only after an employee's return to work has been reviewed.**

If a waiver of membership is received prior to reemployment, the retiree will be sent confirmation and notice that his/her retirement benefit payments will not be suspended nor will they receive retirement credit for subsequent employment.

If a retirement membership application is received, PERS will research the retiree's age, if the retiree retired on or after their normal retirement date, he/she will be contacted. The retiree will be given 30 days to waive enrollment in the defined benefit/defined contribution plan and continue receiving retirement benefit payments with no future contributions.

If PERS staff receives retirement contributions without an enrollment or waiver on file, the reemployed retiree's age will be researched. If the retiree retired on or after his/her normal retirement date, the contributions will be suspended and the retiree will be contacted. The member will be given 30 days to either waive or enroll in the defined benefit/defined contribution plan.

If a retiree, under either of the above scenarios, does not respond within 30 days, the default will be to enroll the retiree as an active participant in the defined benefit/defined contribution plan and contributions will be posted accordingly. The member will be sent notice that his/her retirement benefit payments will be suspended and a second account established. Upon termination of employment, the accounts will be combined and retirement benefit payments will resume.

For instructions on completing the form, please refer to the back of the form.

FAILURE TO COMPLETE THIS FORM COULD LEAVE THE EMPLOYER VULNERABLE TO LEGAL ACTION.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

DESIGNATION OF BENEFICIARY FOR THE GROUP RETIREMENT PLAN
SFN 2560

The Designation of Beneficiary form is used to designate beneficiaries for retirement benefits for the Defined Contribution Retirement Plan.

For FURTHER instructions on completing the form, please refer to the back of the form.

NOTE: If the primary beneficiary's social security number, date of birth, or designated percentage is not provided, the form will be returned.

Designation of a primary beneficiary other than a spouse or in addition to the spouse is subject to the regulations set forth in Part D of the form.

SPOUSAL CONSENT

1. Under North Dakota law, if a member designates a primary beneficiary other than a spouse or in addition to the spouse, the spouse must consent to this designation by signing and dating this section of the form. If spousal consent is not given, notification will be sent to the employee along with a copy of the applicable law.
2. If spouse's consent is given and if a member's primary beneficiary election is someone in addition to or in lieu of a spouse, there is no periodic payment death benefit provision.

The member must sign and date the form. The member's signature must reflect the name as entered in Part A. The designation will be effective when received and executed by the NDPERS office.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

RE-EMPLOYMENT OF A DEFINED CONTRIBUTION PLAN MEMBER
SFN 53286

The Re-Employment of a Defined Contribution Plan Member form is to be used to notify NDPERS of the re-employment of a NDPERS Defined Contribution Plan member. NDCC 54-52.6 requires that a member that previously made an election to become a Defined Contribution Plan participant must remain a participant in this plan unless their new position requires them to be covered under the Teacher's Fund for Retirement (TFFR), Teacher's Insurance and Annuity Association College Retirement Equities Fund (TIAA-CREF), Judges Retirement System or the Highway Patrol Retirement System.

The information from the Re-employment of a Defined Contribution Plan Member form must be received before retirement contributions can be credited. Please send this information to NDPERS by the end of the month for which they are being enrolled.

For instructions on completing the form, please refer to the back of the form.

NOTE: A Designation of Beneficiary for the Group Retirement Plan, SFN 2560, should accompany the Re-employment of a Defined Contribution Plan Member. **HOWEVER, DO NOT DELAY SENDING THE RE-EMPLOYMENT OF A DEFINED CONTRIBUTION PLAN MEMBER FORM IF YOU DON'T HAVE ALL OF THE INFORMATION REQUIRED FOR THE DESIGNATION OF BENEFICIARY FORM.** It is more important for NDPERS to get the Re-employment of a Defined Contribution Plan Member form--the Designation of Beneficiary may be sent later.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

PURCHASE AGREEMENT FOR USERRA COVERED MILITARY ACTIVE DUTY

SFN 17758

This form should be used to notify NDPERS that an employee has returned from active military duty that interrupted NDPERS covered employment and is interested in receiving information about the cost to purchase the months missed during the approved leave of absence. A copy of the employee's DD214 or NGB22 Discharge Form is also required to verify the interruption of service qualifies under the Uniform Services Employment and Re-employment Rights Act (USERRA).

USERRA's Impact on the Defined Contribution Plan

A leave of absence form Notice of Status or Employment Change **SFN 53611 must** be completed indicating the date the member leaves active employment. This form should also be completed to notify NDPERS of the member's return to employment from active duty.

Upon return from active duty, the member may be entitled to have their credit while on active duty recognized by NDPERS for vesting in the employer contribution and benefit eligibility purposes in the retiree health credit (i.e. meeting Rule of 85). A reservist should make application to NDPERS by submitting a written request for the above along with a photocopy of their DD214 form.

In addition, a returning reservist has the option to purchase the service credit not accrued during the leave. Retirement credit may be granted for this purpose upon proper documentation and receipt of past contributions. If the employee elects to purchase the months of service, the credited service is only used in the retiree health credit benefit calculation as the Defined Contribution plan does not provide retirement benefits based on a benefit calculation. The service credit is also counted towards vesting in the employer contribution.

If application is made to the employer, then the employer is required to pay the employer portion of the retirement contributions on behalf of a reservist that applies to purchase the missed service. The employer is also required to pay any portion of the employee contribution in the same manner that it would have been paid had the reservist not been activated. If the employer does not pay any or all of the employee contribution on behalf of its employees, then the reservist is required to pay the employee contribution in order to receive the service credit.

The salary to be used in determining the cost to receive the credit must be based on the salary that would have accrued had the reservist not been called into active duty, rather than the salary the reservist is earning at the time of inquiry. If the salary can not be determined, then the employee's average rate of compensation during the 12-

month period immediately preceding their call to active duty should be used. The following applies to the payment of purchased credit:

- 1) The timeframe that the reservist has to pay any required employee contributions to the plan is 3 times the period of active duty or 5 years, whichever is less. If the reservist does not apply and/or purchase during this timeframe, then the employee will not have opportunity to purchase the service in the future as there are not purchase provisions within this plan.
- 2) If a reservist chooses to make installment payments to the plan to purchase the service, the plan can not charge interest on the unpaid balance.
- 3) If the reservist elects to make monthly payments through payroll deduction, then the employer will be required to submit the same amount of monthly payments towards the required employer contribution, as well as any employee contribution that the employer is required to pay. If the reservist elects any other type of installment payment or is not having payments payroll deducted, then the employer will be billed upon the completion of the purchase by the employee for all required employer paid contributions (employee or employer depending on reporting option).

Upon receipt of the Purchase Agreement for USERRA Covered Military Active Duty SFN 17758, PERS will compute the cost for the reservist to receive the credit and will send written notification to the reservist and/or employer.

For instructions on completing the form, please refer to the back of the form.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

**VERIFICATION OF EMPLOYEE CONTRIBUTIONS TOWARDS
USERRA ACTIVE MILITARY DUTY**
SFN 54361

The Verification of Employee Contributions Towards USERRA Active Military Duty SFN 54361 should be used to verify the amount of employee contributions paid by an individual that may be the responsibility of the employer to pay as a result of NDCC 54-52.6-09.4.

As a result of legislation, an employer is responsible for refunding employee contributions to a reservist who submitted payment to NDPERS to obtain USERRA covered active military duty if the employer would have paid the contributions on behalf of the individual had they not been activated. The law is retroactive to October 1, 1994.

1. The employee must complete Part A to authorize the sharing of this type of information between the employer and NDPERS.
2. The employer must complete Part B to provide NDPERS with notification of the reservist and employers intent. Also, they must answer the questions in Part B to assist NDPERS with determining if the provisions of NDCC 54-52.6-09.4 apply.
3. Upon receipt, NDPERS will review the member record and will complete Part C. A copy of the completed verification form will be provided to the member and the employer.
4. The employer is responsible for refunding the returning reservist based on the information provided by NDPERS.

NOTICE OF CHANGE
SFN 10766

This form is to be completed to notify NDPERS of:

- Name change
- Address change
- Marital Status change
- Change in Dependent status
- FlexComp Election change

Whenever the Notice of Change SFN 10766 is completed and sent to NDPERS, the accuracy of the information must be certified by the authorized agent or the member and the form must be dated. If someone other than the authorized agent or member signs the form, it will be returned for the proper signature.

1. Complete a marital status change whether there is a name change or not.
2. **In cases of marital status change, it is necessary that the member complete a new Designation of Beneficiary SFN 2560.**
3. The authorized agent or the member **must** sign Part E for this form to be valid.
4. See the FlexComp Plan and the Group Insurance Sections for further details.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

NOTICE OF TRANSFER

SFN 53706

All instructions, terms and conditions are in the NDPERS Notice of Transfer Kit SFN 53728.

If the employee will not begin employment with a new participating agency within 31 days from the date of employee's last regular pay check with your agency, a separation of employment kit must be completed by both the employee and the authorized agent.

Plan Document Article 6.1: "Termination of employment" means a severance of employment by not being on the payroll of a covered employer for a minimum of one month. Approved leave of absence does not constitute termination of employment.

Often employees will terminate their position with an employer participating in NDPERS and take a job with another employer who is also participating in NDPERS (NDPERS Participating Employer Groups). Please note, if you have an employee who is transferring into or out of your agency during the month, it is required that you make a contribution for the partial month. Therefore, NDPERS will receive contributions from both employers during the month that the transfer occurs.

1. Retirement service record will transfer if new employer participates with PERS. A member will remain a participant of the Defined Contribution plan unless their new position requires participation in the ND Highway Patrol, Teacher's Fund for Retirement or the TIAA-CREF system through the ND University System.
2. In recognition of the fact that the current employer may not be aware of the circumstances regarding a departing employee's employment plans and subsequently a new employer will not receive any transfer information, NDPERS has developed a series of scenarios along with the required administrative procedures to follow depending on the particular situation.
These procedures are designed to ensure transfers are processed consistently based on "what the employer knows at the time of separation of employment."

Situation: Current employer knows the employee is transferring to another covered employer:

1. Complete the Notice of Transfer Kit SFN 53728, which contains the NOTICE OF TRANSFER FORM
2. Send the NOTICE OF TRANSFER FORM to the new employer

Situation: Current employer has no knowledge that terminating employee is transferring to another covered employer:

1. Current employer and employee completes the appropriate separation of employment kit
2. Send the complete kit to PERS
3. PERS will process accordingly in absence of any other information.

Situation: New employer receives a NOTICE OF TRANSFER FORM from a participating employer.

1. Do not have transferring employee complete new enrollment forms for plans indicated in Part C of the NOTICE OF TRANSFER FORM
2. Set up employee with benefits according to the information provided in Part C of the NOTICE OF TRANSFER FORM
3. Have employee complete enrollment forms for programs not previously enrolled in through previous employer
4. Submit any enrollment forms to PERS

Situation: New employer is not aware a new employee is a transfer from another participating employer. Previous employer processed as a separation of employment and employee does not provide the information.

1. Have new employee complete all required enrollment forms
2. Send the enrollment forms to PERS
3. If there is an existing record, and the hire date is within 31 days of separation from previous employer, PERS will notify you that employee is a transfer from another participating employer and will:
 - a. Void the enrollment forms for any programs that employee previously participated in.
 - b. Complete Parts A-D of the Notice of Transfer form and send it to new employer.
 - c. Employer will set up benefit record according to information provided in Part C of transfer form
 - d. Employer must complete Parts E and F on the form and return it to PERS

Situation: New employer is aware a new employee is a transfer but previous employer treated as a separation of employment and did not complete a Notice of Transfer Form

1. Complete Parts A, E, and F of the NOTICE OF TRANSFER FORM.
2. Send the NOTICE OF TRANSFER FORM to PERS
3. If hire date is within 31 days of separation from previous employer, PERS will complete Part C based on existing record and return the form to the new employer
4. Have employee complete enrollment forms for programs not previously enrolled in through previous employer
5. Employer will set up the benefit record accordingly

See the FlexComp Plan and the Group Insurance Sections for further details.

For FURTHER instructions on completing the form, please refer to the back of the form.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

NOTICE OF STATUS OR EMPLOYMENT CHANGE

SFN 53611

This form is to be completed to notify NDPERS of:

- Employee leave of absence/leave without pay
- Extending leave of absence/leave without pay
- Employee's return from leave of absence
- Employee classification change within agency
- Employee's reduction in hours/change from permanent to part-time
- Employee's separation from employment

This form is to be completed by the employer when the employee has a change in employment status. (Instructions and conditions are also listed on the other side of this form).

PART B: CHANGE OF STATUS

LEAVE OF ABSENCE

1. NDPERS must be notified whenever an employee is taking a leave without pay and the reason for the leave.
2. A leave of absence cannot exceed one year without being recertified. If an employee is taking an unpaid leave in excess of two years, the employee's membership in NDPERS should be terminated unless the leave is an interruption of covered employment due to military activation. However, since the employee has not separated from employment with the employer, the employee is not entitled to a distribution of their retirement benefits.
3. NDPERS must be notified of a return from leave prior to the employer resuming retirement contributions for the employee.

CLASSIFICATION CHANGE

1. Often employees will change their position within the employer group. This may affect their eligibility for benefits, as well as, how the employee is reported to NDPERS.

REDUCTION IN HOURS OR PERMANENT TO PART-TIME/TEMPORARY

1. If notifying PERS of an employee's change from permanent to temporary service, this form must be accompanied by **SFN 54366**.

PART C: SEPARATION OF EMPLOYMENT

1. If an employee is leaving the employer's service due to Termination (pre-retirement), Retirement, Long-Term Disability, or Death, this form is in one (1) of 5 PERS separation of employment kits. A PERS separation of employment kit includes all necessary forms the employer and employee are required to complete.

The employer or employee may obtain the following Kits:

- Refund/Rollover **SFN 53725**
- Deferred Retirement **SFN 53724**
- Retirement Kit **SFN 53723**

2. The "membership termination date" is the last date the employee worked at your agency in an eligible position.
3. The "date of last regular paycheck" is the date of the employee's final regular paycheck. **DO NOT** include any lump sum payments of accrued annual leave or sick leave in a terminating employee's final "regular" paycheck.

PART D: PLAN INFORMATION

1. The employer must always complete this section.

PART E: AUTHORIZATION OF AUTHORIZED AGENT

1. The employer's authorized agent must always sign this section for the form to be valid.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

**APPLICATION FOR REFUND OR DIRECT
ROLLOVER FOR TERMINATING EMPLOYEES**
SFN 53879

All instructions, terms and conditions are in the NDPERS Refund/Rollover Kit SFN 53725. The member must also be given a Fidelity Distribution Packet. Contact NDPERS to obtain a packet.

N.D.C.C Chapter 54-52.6-13 (1): A participating member is eligible to receive distribution of that person's accumulated balance in the plan upon becoming a former participating member.

N.D.C.C. Chapter 54-52.6-13 (3): A former participating member or refund beneficiary may elect one or a combination of several of the following methods of distribution of the accumulated balance: a) A lump sum distribution to the recipient b) A lump sum direct rollover to another qualified plan, to the extent allowed by federal law c) Periodic distributions, as authorized by the board d) No current distribution, in which case the accumulated balance must remain in the plan until the former participating member or refund beneficiary elects a method or methods of distribution under this section, to the extent allowed by federal law.

Plan Document Article 6.1: "Termination of employment" means a severance of employment by not being on the payroll of a covered employer for a minimum of one month. Approved leave of absence does not constitute termination of employment.

A terminating employee **MUST** read the "Safe Harbor Explanation" regarding federal income tax on plan payments. Under Federal regulations, the "Safe Harbor Explanation" must be given to the terminating employee a **minimum of 30 days** prior to a refund or rollover, but **not more than 120 days** prior. The date that the terminating employee signs the Application for Refund or Direct Rollover SFN 53725 will be the start of the "minimum 30 day notification requirement."

Processing of refunds or rollovers will take approximately 45 to 60 days from the employee's last regular paycheck, depending on when the terminating employee signs his or her forms.

NOTE: In addition to this form, the employee **MUST** complete a **Fidelity Distribution form** available in the **Fidelity Distribution Packet** to initiate a distribution.

If an employee does not leave a completed separation of employment kit with the authorized agent before leaving employment, the authorized agent should forward a copy of Notice of Status or Employment Change SFN 53611 to NDPERS, certifying that the employee's membership is terminated. NDPERS will then try to contact the employee to obtain a separation of employment kit.

If the above paragraph applies, a terminating member who has less than \$1,000.00 in their Defined Contribution account shall be automatically refunded his or her retirement monies, unless a completed separation of employment kit is otherwise submitted to NDPERS.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

APPLICATION FOR RETIREMENT BENEFITS – DEFERRED RETIREMENT

SFN 2562

All instructions, terms and conditions are in the Deferred Retirement Kit SFN 53724.

N.D.C.C. Chapter 54-52.6-13 (1): A participating member is eligible to receive distribution of that person's accumulated balance in the plan upon becoming a former participating member.

N.D.C.C. Chapter 54-52.6-13 (3): A former participating member or refund beneficiary may elect one or a combination of several of the following methods of distribution of the accumulated balance: a) A lump sum distribution to the recipient b) A lump sum direct rollover to another qualified plan, to the extent allowed by federal law c) Periodic distributions, as authorized by the board d) No current distribution, in which case the accumulated balance must remain in the plan until the former participating member or refund beneficiary elects a method or methods of distribution under this section, to the extent allowed by federal law.

Plan Document Article 6.1: “Termination of employment” means a severance of employment by not being on the payroll of a covered employer for a minimum of one month. Approved leave of absence does not constitute termination of employment.

1. A member can leave his/her Member Account Balance intact with Fidelity Investments and take a refund, rollover or periodic payment at a later date.
2. If **deferring retirement**, the member should select this option.

If an employee does not leave a completed separation of employment kit with the authorized agent before leaving employment, the authorized agent should forward a copy of Notice of Status or Employment Change SFN 53611 to NDPERS, certifying that the employee's membership is terminated. NDPERS will then try to contact the employee to obtain a separation of employment kit.

If the above paragraph applies, a terminating member who has less than \$1,000 in their Defined Contribution account shall automatically be refunded his or her retirement monies, unless a completed separation of employment kit is otherwise submitted to NDPERS.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

APPLICATION FOR RETIREMENT BENEFITS

SFN 2562

All instructions, terms and conditions are in the NDPERS Retirement Kit SFN 53723. The member must also be given a Fidelity Distribution Packet. Contact NDPERS to obtain a packet.

N.D.C.C. Chapter 54-52.6-13 (1): A participating member is eligible to receive distribution of that person's accumulated balance in the plan upon becoming a former participating member.

N.D.C.C. Chapter 54-52.6-13 (3): A former participating member or refund beneficiary may elect one or a combination of several of the following methods of distribution of the accumulated balance: a) A lump sum distribution to the recipient b) A lump sum direct rollover to another qualified plan, to the extent allowed by federal law c) Periodic distributions, as authorized by the board d) No current distribution, in which case the accumulated balance must remain in the plan until the former participating member or refund beneficiary elects a method or methods of distribution under this section, to the extent allowed by federal law.

Plan Document Article 6.1: "Termination of employment" means a severance of employment by not being on the payroll of a covered employer for a minimum of one month. Approved leave of absence does not constitute termination of employment.

N.D.C.C. Chapter 54-52.6-02: An employee who has accepted a retirement distribution pursuant to section 54-52.6-13 and who subsequently becomes employed with an entity different from the employer with which the member was employed at the time the member retired but which does participate in any state-sponsored retirement plan may, before reenrolling in the defined contribution retirement plan, elect to permanently waive future participation in the defined contribution retirement plan and the retiree health program and maintain that employee's retirement status. An employee making this election is not required to make any future employee contributions to the public employees retirement system nor is the employee's employer required to make any further contributions on behalf of that employee."

NOTE: In addition to this form, the employee MUST complete a Fidelity Distribution form available in the Fidelity Distribution Packet to initiate a distribution.

1. The member should contact Fidelity or NDPERS for assistance in completing the forms in the packet.
2. The retiree must select one Health Credit Option at the time of retirement whether the retiree will, or will not, participate in the NDPERS Group Health Insurance Plan.

The retiree must submit a copy of his or her birth certificate. Certified copies are not necessary if the certification is shown on the photocopy.

If a retiring employee wishes to have the payment deposited directly into a checking or savings account, the employee must complete and return the Fidelity Investments Electronic Funds Transfer Application (EFT) form.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

APPLICATION FOR RETIREMENT DISABILITY

SFN 18000

The member must also be given a Fidelity Distribution Packet. Contact NDPERS to obtain a packet.

N.D.C.C. Chapter 54-52.6-14: Disability benefits - The board shall allow distribution of the participating member's vested account balance if the board determines that the participating member has become totally and permanently disabled. If approved, the disabled member has the same distribution options as provided in subdivisions a and c of subsection 3 of section 54-52.6-13. However, if the member chooses the periodic distribution option, the member may only receive distributions for as long as the disability continues and the member submits the necessary documentation and undergoes medical testing required by the board, or for as long as the member participates in a rehabilitation program required by the board, or both. If the board determines that a member no longer meets the eligibility definition, the board shall discontinue the disability retirement benefit.

N.D.C.C. Chapter 54-52.6-13 (3): A former participating member or refund beneficiary may elect one or a combination of several of the following methods of distribution of the accumulated balance: a) A lump sum distribution to the recipient b) A lump sum direct rollover to another qualified plan, to the extent allowed by federal law c) Periodic distributions, as authorized by the board d) No current distribution, in which case the accumulated balance must remain in the plan until the former participating member or refund beneficiary elects a method or methods of distribution under this section, to the extent allowed by federal law.

Plan Document Article 6.1: "Termination of employment" means a severance of employment by not being on the payroll of a covered employer for a minimum of one month. Approved leave of absence does not constitute termination of employment.

N.D.A.C Chapter 71-08-03: The board will allow distribution of the participating member's vested account balance if the board determines the participating member has become totally and permanently disabled using the procedure provided in section 71-02-05-06. If approved, the disabled member has the same distribution options as provided in subdivisions a and c of subsection 3 of North Dakota Century Code section 54-52.6-13. However, if the member chooses the periodic distribution option, the member will only be allowed to receive distributions for as long as the disability continues and the member submits the necessary documentation and undergoes medical testing required by the board, or for as long as the member participates in a rehabilitation program required by the board, or both. The board shall use the redetermination and recertification procedures provided in section 71-02-05-06 to determine whether the member remains disabled. If the board determines that a member no longer meets the eligibility definition, the board shall discontinue the disability retirement benefit.

1. In addition to this form, the employee **MUST** also complete a Fidelity Distribution form available in the Fidelity Distribution Packet.
2. The disability applicant **must** select one Health Credit Option at the time of termination/retirement whether the retiree will, or will not, participate in the NDPERS Group Health Insurance Plan.

The disability applicant must submit a copy of his or her birth certificate, and if married, spouse's birth certificate and marriage certificate. Certified copies are not necessary if the certification is shown on a photocopy.

If a disability retiree wishes to have the payment deposited directly into a checking or savings account, the employee must complete and return the Fidelity Investments Electronic Funds Transfer Application (EFT) form.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

APPLICATION FOR SURVIVING SPOUSE BENEFITS

SFN 52254

All instructions, terms and conditions will be provided by the NDPERS office upon notice of death.

To notify NDPERS of an active employee's death (married or single), please complete a Notice of Status or Employment Change SFN 53611.

N.D.C.C. Chapter 54-52.6-13(2): Upon the death of a participating member or former participating member, the accumulated balance of that deceased participant is considered to belong to the refund beneficiary, if any, of that deceased participant. If a valid nomination of refund beneficiary is not on file with the board, the board, in a lump sum distribution, shall distribute the accumulated balance to a legal representative, if any, of the deceased participant or, if there is no legal representative, to the deceased participant's estate.

The surviving spouse must submit a copy of his or her birth certificate, spouse's birth certificate, and marriage certificate. Certified copies not necessary if the certification is shown on a photocopy.

The surviving spouse must submit a **certified copy of the Certificate of Death. If there is life insurance, than 2 certified copies will be required.**

NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM
TRANSMITTAL OF DEDUCTION
SFN 51414

This form is used to report retirement contributions to the Defined Benefit and Defined Contribution Retirement Plans by any agency that is not on the PeopleSoft Payroll System. Retirement contributions must be reported for all permanent employees who work at least 20 hours a week for at least five or more months, or at least 20 weeks, of their employment year. This form must be completed by the employer and returned to the NDPERS office by the 8th of each month.

INFORMATION PROVIDED BY NDPERS:

- Day the transmittal form was printed.
- Page number.
- Payroll month for which contributions are being reported.
- Date by which the transmittal must be returned to the NDPERS office.
- Name of employer.
- Employer department number (assigned by NDPERS).
- Name and social security numbers of employees who are currently enrolled in the Defined Benefit or Defined Contribution Retirement Plan as of the date the transmittal was printed.

INFORMATION PROVIDED BY EMPLOYER:

The transmittal form provided to NDPERS contains information which we must retain permanently. This requires that we retain all paper forms for permanent storage. To help us retain a quality record, we ask that you remember the following when completing your transmittal form each month:

1. Type or print legibly. Black ink is preferred.
2. Do not use pencil.
3. Calculate and complete the Totals for column A and column B in the designated area.
4. Calculate and complete the Employee and Employer contributions totals at the bottom of the Transmittal form in the designated area.
5. Record Total Remittance Amount in the designated area.

If you are submitting a computer-generated report in place of the PERS transmittal form, please remember the following:

1. Reports printed on plain white paper are preferred.
2. Make sure reports are not printed when the printer ribbon is in need of being replaced. It is very difficult to read reports with light printing.

COLUMN A

Report **only** the current month's gross salary for each listed employee. Salary or wages includes the actual dollar compensation paid to an employee. The following is a clarification as to what is considered salary or wages for retirement contribution purposes:

- Amounts deducted from a member's salary at the member's option to a qualified Section 125 cafeteria plan (FlexComp), 401(k) plan, 403(b) or 457 plan are part of wages or salary when calculating retirement contributions.
- Employee contributions tax deferred under a salary reduction agreement do not reduce wages or salary when calculating retirement contributions.
- Amounts contributed by the employer to a qualified Section 125 cafeteria plan, 401(k), 403(b), or 457 plan are not part of wages or salary when calculating retirement contributions.
- Salary does not include fringe benefits such as payments of accumulated sick leave, reimbursements for annual leave, housing allowances, transportation expenses, comp time, overtime pay, early retirement incentive pay, severance pay, medical insurance, workers compensation benefits, disability insurance premiums or benefits or salary received by a member in lieu of previous employer provided fringe benefits.
- Performance bonuses may be considered salary if reported and annualized over the time period it is earned. Employee recruitment or retention bonuses are not considered salary for retirement contribution purposes.

The following guidelines apply to reporting salary/wages and contributions for employees who may have special employment arrangements:

- **Employed Under a Full-Time Contract or Written Agreement.** Retirement contributions must be paid on all work performed within the contract or agreement arrangement. Duties performed outside these arrangements will be considered incidental and similar to overtime and, therefore, excluded for retirement contribution purposes.

If an employee works in several capacities for the same employer and does not have any contract or written agreement, and the sum of hours meets eligibility guidelines, a retirement contribution should be made on all wages earned, excluding overtime.

- **Employed in Same Occupation by More Than One Participating Employer.** If total number of hours worked for all employers combined is at least 20 hours a week for at least five or more months, or at least 20 weeks, of their employment year, each participating employer must report the wages earned and pay the required retirement contribution.
- **Employed in Different Occupation by More Than One Participating Employer.** Hours worked in unrelated jobs may not be combined to meet eligibility requirements. Each job should be evaluated separately and if the individual works at least 20 hours a week for at least five or more months, or at least 20 weeks, of their employment year, each employer must report the wages earned and pay the required retirement contribution.
- **For seasonal employees who work less than 12 months a year:**
 1. If salary is paid over a time period greater than an employee's actual physical time at work, a formal salary agreement/contract between employer and employee must be in place and documented on the employer's records. If this salary arrangement is not formalized, then an employer must report total eligible salary during the time period an employee is physically at work only.
 2. If salary is paid over a 12 month period for a 9, 10, or 11 month seasonal employee and the salary arrangement is formalized by agreement/contract, then the salary must be remitted to PERS for the agreed contract period.
 3. If at the end of a school year an employee receives a lump sum salary in a month for excess eligible salary for the preceding school year, the salary must be annualized over the agreed contract period or time period physically at work depending on if a salary arrangement is in place or not.

COLUMN B

Compensation such as bonuses, retroactive pay adjustments, adjustments to salary for months other than the current month, or for months when no contributions were made are reported in this column. Wages paid in a lump sum for duties performed over a period longer than one month are also reported in this column.

All salary adjustments entered in Column B must be substantiated by including a letter of explanation with your transmittal. The letter must contain the following information:

- Name and social security number of the employee.
- Brief description of reason for miscellaneous pay.
- A listing of the specific month(s) and dollar amount(s) broken out by month.

It is important that salaries be reported for the correct month and for the correct amount. Inaccurate salary reporting can adversely affect an employee's months of credited service and final average salary calculation.

A sample of an explanation is shown below:

<u>NAME</u>	<u>SSN</u>	<u>MO/YR</u>	<u>SALARY</u>
John Doe	123-45-6789	02/05	\$1,904.00
John Doe	123-45-6789	03/05	\$1,856.00

Contributions for John Doe were mistakenly omitted for the months of February and March, 2005.

Total Columns A and B and enter the amounts in the spaces provided. If you have a multiple page report, enter totals on the last page only.

CALCULATION OF CONTRIBUTION

The employee contribution rates are preprinted on lines 1-3 and are based on information currently on file with the NDPERS office. The PERS office must be notified in writing if the employee contribution is being made on a tax deferred basis. See Employer Payment Plan discussed in the Defined Benefit Retirement Plan section.

Line 1: Sum the totals entered for columns A & B and multiply times the percent on line 1. Enter the result in the space provided. Only contributions that are being deducted from the employee's paycheck, but not deducted from gross wages when computing federal withholding, are reported on this line. NDPERS will record these contributions as already taxed when they are posted to the employee's account. These amounts will not be taxable to the employee when withdrawn from the retirement system.

Line 2: Sum the totals entered for columns A & B and multiply times the percent on line 2. Enter the result in the space provided. Only contributions that are being deducted from the employee's paycheck, and are deducted from gross wages before computing federal withholding, are reported on this line. PERS will record these contributions as not being taxed when they are posted to the employee's account. These amounts will be taxable to the employee when withdrawn from the retirement system.

Line 3: Sum the totals entered for columns A & B and multiply times the percent on line 3. Enter the result in the space provided. Only employee contributions that are paid by the employer are reported on this line. PERS will record these contributions as not being taxed

when they are posted to the employee's account. These amounts will be taxable to the employee when withdrawn from the retirement system.

Line 4: Sum the totals entered for columns A & B and multiply times 5.12% and record result.

Total Remittance Amount. Enter the total of Lines 1-4. This total should equal the amount of the check(s) being remitted. PERS will determine which contributions are for the Defined Contribution Retirement Plan participants based upon the Defined Contribution Plan enrollment forms on file with PERS. PERS will validate the contributions and send them to Fidelity Investments within 3 business days. Timely payment of retirement contributions to PERS will allow the Defined Contribution Plan contributions to be promptly invested in the employees' retirement account.

The remittance enclosed with your retirement transmittal should be for retirement contributions only. Do not include deferred comp deductions, group insurance premiums or any other payments for NDPERS programs in which you may participate.

Signature of Preparer. Signature of person who completed the transmittal of deduction form.

PLEASE VERIFY THE ACCURACY OF ALL CALCULATIONS

HELPFUL HINTS: To help detect computation errors on transmittal forms prior to sending them to NDPERS:

1. Verify the accuracy of the total for the salary column and for the miscellaneous pay column.
2. Multiply the column totals by the percentages on lines 1, 2 & 3 to see that they agree with the amounts entered.
3. For a quick check to see if the contributions have been calculated correctly, add the total on Lines 1-3 and multiply the sum times 1.28. The result of this calculation should be within a few cents of the total of the employer contribution on line 4.
4. It is important to report contributions for defined contribution participants to PERS as soon as possible. This will allow the contributions to be processed and transferred to the participant's account at Fidelity Investments in a timely manner.

ADDITIONAL COMMENTS

A. ADDING AN EMPLOYEE TO THE TRANSMITTAL

If PERS has not received the membership application prior to sending out the transmittals, an employee's name will not be on the transmittal. To report contributions, you will need to enter the employee's full name, social security number and salary amount in the appropriate columns. **A Membership Application must be completed and accompany the transmittal for any new member you are adding, or must be sent by the end of the month for which the member is being enrolled. Contributions will be returned if the Membership Application form is not received by NDPERS.**

B. DELETING AN EMPLOYEE FROM THE TRANSMITTAL

The employee's name and social security number will not appear on the transmittal form if one of the following forms has been received by NDPERS:

- a. Notice of Status or Employment Change **SFN 53611**
- b. Notice of Transfer form, found in the Transfer Kit **SFN 53728**

If a terminated employee's name appears on the transmittal, draw a line through the name and social security number. Before deleting an employee's name, please ensure no further contributions are payable. The appropriate form must be completed and sent to the PERS office for any member who is terminating employment.

C. EMPLOYEE WITH NO CONTRIBUTION FOR THE CURRENT MONTH

If an employee is enrolled in the retirement system but no contribution will be paid for the current month, leave the employee's name and social security number as reported and leave the salary columns blank (i.e. do not put zeros in the amount columns). A Notice of Status or Employment Change SFN 53611 or Notice of Irregular Salary or No Deposit SFN 53707 indicating the reason for the missed contribution must be submitted.

If NDPERS does not receive proper documentation for a missed contribution, you will receive a report indicating the name of the employee for whom no contribution was received and a request for Notice of Irregular Salary or No Deposit SFN 53707. To save time, documentation should be submitted with the transmittal.

D. ALTERNATE METHODS OF REPORTING

In lieu of completing the transmittal form prepared by NDPERS, the following options are available, subject to NDPERS approval:

- 1. Reports generated from an employer's computerized payroll system may be substituted for the NDPERS generated transmittal form. You must provide NDPERS with a sample of your computer generated report for approval before you may discontinue using the NDPERS transmittal.

2. NDPERS allows transmittal information to be submitted electronically via secure file transfer over the internet. If you are interested in this reporting option, please contact the NDPERS office.

**NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM
TRANSMITTAL OF DEDUCTION
PART-TIME/TEMPORARY EMPLOYEES
SFN 51415**

This form is used to report retirement contributions by any agency that has a part-time/temporary employee electing to participate in NDPERS. This form must be completed by the employer and returned to the NDPERS office by the 8th of each month.

INFORMATION PROVIDED BY NDPERS:

- Day the transmittal forms were printed.
- Page number.
- Payroll period for which contributions are being reported.
- Date by which the transmittal must be returned to the NDPERS office.
- Name of employer.
- Employer department number (assigned by NDPERS).
- Names and social security numbers of part-time/temporary employees who are currently enrolled in the Public Employees Retirement System as of the date the transmittal was printed.
- Last contribution date. This is the month for which the last contribution was received.

INFORMATION PROVIDED BY EMPLOYER

The transmittal form provided to NDPERS contains information which we must retain permanently. To help us retain a quality record, we ask that you remember the following when completing your transmittal form each month:

1. Type or print legibly. Black ink is preferred.
2. Do not use pencil.
3. Calculate and complete the totals for the Monthly Salary column and the Contribution column.

If you are submitting a computer-generated report in place of the NDPERS transmittal form, please remember the following:

1. Reports printed on plain white paper are preferred.
2. Make sure reports are not printed when the printer ribbon is in need of being replaced. It is very difficult to read reports with light printing.

Monthly Salary: Enter the employee's monthly salary. Use the same guidelines you would use for a permanent employee when determining salary and wages for retirement contribution purposes.

Enter the total of the monthly salaries in 1a in the Department Totals section.

9.12% of Salary: Compute 9.12% of the monthly salary. A part-time/temporary employee is required to pay the total 9.12% contribution. It will be the employer's responsibility to collect contributions from the employee and remit them to the PERS office by the due date printed on the transmittal. An employer is not allowed to pay any portion of a part-time/temporary employee's contribution.

Enter the total of the contributions in 1b in the Department Totals section.

PLEASE VERIFY THE ACCURACY OF ALL CALCULATIONS

ADDITIONAL COMMENTS

A. ADDING AN EMPLOYEE TO THE TRANSMITTAL

If PERS has not received the Agreement/Waiver of Participation for Optional Defined Contribution Retirement Plan **SFN 54366** prior to sending out the transmittal, an employee's name will not be on the transmittal. To report contributions, you will need to enter the employee's full name, social security number, salary, and contribution amount in the appropriate columns. **Form SFN 54366 must be completed and accompany the transmittal for any new member you are adding, or must be sent by the end of the month for which the member is being enrolled. Contributions will be returned if these forms are not received by PERS.**

B. DELETING AN EMPLOYEE FROM THE TRANSMITTAL

The employee's name and social security number will not appear on the transmittal form if one of the following forms has been received by NDPERS:

- a. Notice of Status or Employment Change **SFN 53611**

b. Notice of Transfer **SFN 53706**

If a terminated employee's name appears on the transmittal, draw a line through the name and social security number. Before deleting an employee's name, please ensure no further contributions are payable. The appropriate form must be completed and sent to the PERS office for any member who is terminating or transferring employment.

C. EMPLOYEE WITH NO CONTRIBUTION FOR THE CURRENT MONTH

If an employee is enrolled in the retirement system but no contribution will be paid for the current month, leave the employee's name and social security number as reported and leave the salary columns blank (i.e. do not put zeros in the amount columns). A Notice of Status or Employment Change SFN 53611 or Notice of Irregular Salary or No Deposit SFN 53707 indicating the reason for the missed contribution must be submitted.

If NDPERS does not receive proper documentation for a missed contribution, you will receive a report indicating the name of the employee for whom no contribution was received and a request for completion of the Notice of Irregular Salary or No Deposit SFN 53707. To save time, documentation should be submitted with the transmittal.

Contributions delinquent over 30 days, for reasons other than leave of absence, will result in termination of eligibility to participate as a part-time/temporary member the remainder of the plan year which runs from July 1 through June 30.

NOTICE OF IRREGULAR SALARY OR NO DEPOSIT
SFN 53707

If an employee is enrolled in the retirement system but no contribution will be paid for the current month, a Notice of Status or Employment Change SFN 53611 or Notice of Irregular Salary or No Deposit SFN 53707 indicating the reason for the missed contribution must be submitted.

If NDPERS does not receive proper documentation for a missed contribution, you will receive a report indicating the name of the employee for whom no contribution was received and a request for completion of the Notice of Status or Employment Change SFN 53611 or Notice of Irregular Salary or No Deposit SFN 53707.

If an employee is enrolled in the retirement system but has a salary adjustment, a Notice of Status or Employment Change SFN 53611 or Notice of Irregular Salary or No Deposit SFN 53707 indicating the reason for the irregular salary must be submitted.

If NDPERS does not receive proper documentation for an irregular salary, you will receive a report indicating the name of the employee and a request for completion of the Notice of Status or Employment Change SFN 53611 or Notice of Irregular Salary or No Deposit SFN 53707.

For instructions on completing the form, please refer to the back of the form.

Complete a Notice of Status or Employment Change SFN 53611 to document:

- Employee leave of absence/leave without pay
- Extending leave of absence/leave without pay
- Employee's return from leave of absence
- Employee classification change within agency
- Employee's reduction in hours
- Employee's separation from employment

Complete a Notice of Irregular Salary or No Deposit SFN 53707 to document:

1. An irregular salary
2. A missed retirement contribution
3. A seasonal employee's salary agreement
4. To direct an adjustment to a previously posted salary(ies)
5. To initiate a bill to your agency for a missed contribution

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.